

Brussels, 30 September 1996

**OPINION**  
of the  
Committee of the Regions  
of 18 September 1996  
on  
**Promoting and protecting local products - a trump-card for the regions**

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Memorized text

The Committee of the Regions:

**HAVING REGARD TO** the decision taken on 20 September 1995 under the fourth paragraph of Article 198c establishing the European Community to deliver an Opinion on Promoting and protecting local products - a trump-card for the regions, and to direct Commission 2 Spatial Planning, Agriculture, Hunting, Fisheries, Forestry, Marine Environment and Upland Areas to draw up the relevant Opinion;

**HAVING REGARD TO** the draft Opinion (CdR 54/96) adopted by Commission 2 on 3 July 1996 (Rapporteurs: Mr BOCKLET and Mr LAFAY);

has adopted unanimously the following Opinion at its 14th Plenary Session (meeting of 18 September 1996):

## 1. **Introduction**

1.1 If the rural exodus, especially from mountain areas and disadvantaged regions, is to be halted, then there needs to be a noticeable improvement in the general conditions for promoting typical products from the Union's various regions ("produits du terroir" in French). Measures to protect and promote local agricultural and food products tie in neatly and logically with the necessary further development of the Common Agricultural Policy, particularly when seen in the light of the further globalization of agricultural markets and the integration of CEECs. Products with a regional identity meet the wishes of consumers in all Member States of the Community, establish a secure basis for and confidence in agricultural production, and make a significant contribution to the rural economy, especially in mountain areas and in outlying areas such as islands.

1.2 Local agricultural products can be defined as natural goods and services produced or provided by different enterprises in rural areas with an established socio-economic identity. Such products are subject to considerable competition, particularly because of marketing difficulties which sometimes put insuperable barriers in the way of smaller units (advertising, sales promotion, availability of products). They do however make a major contribution to anchoring agro-food industry activities and services in rural areas. An improvement in the general conditions for marketing local products is thus the key to preserving and developing this sector of the regional economies.

1.3 Local products provide an alternative outlet for agricultural raw materials and thus reduce the pressure on structurally over-supplied markets. The market position and long-term success of local products, which are increasingly in demand, entails an increased focus on the needs and expectations of buyers and consumers. The quality of local products is an essential asset at a time of trade globalization. These three points link up with the aims of the CAP, which include encouraging diversification and enhancing the quality of products in line with market trends and consumer

expectations. The measures set out here thus merit the increased attention of the regions, the Member States and the Union.

1.4 Since the creation of the single market and the growth of international trade, economic partners have attached much greater importance to quality guarantees and the certification of enterprises and products. The rapid expansion of quality standards in industry and services (EN or ISO standards), together with the rise in the number of products (particularly agrofoodstuffs) certified by accredited bodies, offer a striking illustration of this trend. Trust between producers and consumers is difficult to establish on larger markets. Hence the increasing importance of the attested regional origin of a product as a guarantee of quality.

1.5 Boosting local products by promoting their quality involves a collective effort to identify and differentiate between products on a regional basis. The aim of quality campaigns is to make medium-term savings by means of short-term investment designed to guarantee and further develop the quality of products, identify the causes of quality shortcomings and implement corrective measures. Such short-term investment, however imposes a much greater strain on the resources of small and medium-sized enterprises, or on production and marketing chains for local products in mountain regions and disadvantaged rural areas.

1.6 Policies to promote local products draw upon a number of synergistic factors. On the one hand, a region's image may contribute to that of products and services offered on wider markets: this is especially true of rural tourism. On the other hand, the products and services offered by a particular region, especially rural tourist facilities, benefit from joint initiatives (such as the farm and craft products of the Pyrenees, marketed on a partnership basis under the shared "Saveurs des Pyrénées" - "A taste of the Pyrenees" name). The skills of various occupations and interest groups need to be harnessed to make the most of the resources connected with local products.

1.7 Environmental concerns are coming to the fore at all levels of the Union's social and economic life. Binding measures are now in place which oblige the economy to regard the environment as a component of resource management. Users could, however, make further financial efforts, provided that they are informed of the objectives pursued and enjoy guarantees regarding specific practices. Local products come into their own here because they are based on agricultural practices and processing techniques which are particularly friendly to the environment and to the animal world. Such an approach deserves closer attention and should be supported by special measures. Local products are also generally sold in the region where they are produced, which means short distribution distances, savings on energy resources and only a light burden on the environment.

1.8 To conclude, the main contributions which local products can make to strengthening rural areas, particularly disadvantaged ones, are described below. Firstly, identification enables a link to be forged between the product and a region's landscape and culture; also, where appropriate, between the product and certain practices or services in the environmental or animal protection spheres. Secondly, protecting them sometimes means that a culinary heritage, contributing to regional identity, can be preserved. Lastly, encouraging a partnership approach to local products can, through

synergies, have a highly positive impact on their promotion. Encouraging initiatives by those involved, as well as the creation of general conditions likely to help them succeed, should be the preferred form of action here: other Union policies provide measures to offset disadvantages in the less-developed regions.

**The Committee of the Regions accordingly defends the following position:**

## **2. General comments**

2.1 The Committee of the Regions recognizes the recent adoption of a number of Regulations intended to protect local products, particularly Regulation (EEC) 2081/92 protecting geographical indications and designations of origin and Regulation (EEC) 2082/92 on certificates of specific character, both relating to agricultural products and foodstuffs. The Committee of the Regions is nevertheless aware that the regions must also continue to be afforded sufficient scope for multi-product actions linking indications of origin with guarantees of quality. Regional quality and origin labels are a suitable, effective and proven instrument for meeting the growing needs of consumers for certification of regional origin and preservation of the identity of Community regions.

It regrets in this connection the lack of comparable quality standards in the Member States. Without such standards there is insufficient consumer and competition protection for products covered by the above-mentioned legislative instruments.

2.2 The Committee notes that in the meantime the Commission has published a list of protected designations of origin and protected geographical indications.

2.3 The Committee of the Regions welcomes the European Parliament's proposal (Resolution No. B4/1299/95) to establish a European *ecolabel*, in addition to Regulation 2092/91 on biological agriculture. Room however must also be left for regional ecolabels.

2.4 The Committee of the Regions reminds the institutions of the European Union and the Member States of the important role of the partnership approach in making best use of local products to preserve employment in rural areas and keep land in production in difficult areas.

## **3. European-level measures to protect and promote local products**

3.1 The Committee of the Regions calls upon the institutions of the Union - as part of the on-going reform of the Common Agricultural Policy - to open the way for a greater commitment to local quality-based products (common principle), giving regional operators sufficient room for manoeuvre as part of their political activities. This policy area would constitute a suitable application of the subsidiarity principle. Synergism between the different agricultural policy instruments and the Structural Funds should be strengthened, inter alia, to foster quality, particularly as part of Community initiatives and pilot projects.

3.2 The Committee of the Regions urges the Commission to give particular support under its structural policy to protecting and promoting local products. A Community legal framework should be created which would include regional provisions on enhancing the value and designating the regional origin of a product (e.g. in the case of inter-trade agreements). The small scale of agro-food firms, and the large number of agricultural operators and their partners involved in the processing and preparation of local products, makes it difficult to respond to changing consumer expectations. By contrast, mass production is concentrated in the hands of a small number of operators able to respond quickly, in their short and medium-term interest, to market requirements. If partners of strategic alliances are given the means to implement provisions in the general interest of their production chain, this will create a favourable climate for promoting initiatives and cooperation between producers, processors and traders.

3.3 The Committee of the Regions calls upon the Community institutions to create a legal framework for the regional provisions required to strengthen support for the official certification of enterprises and products forming part of production chains and protected by EC Regulations (Regulation 2081/92 on PDOs and PGIs, Regulation 2082/92 on Community certificates of specific character, Regulation 2092/91 on organic production and possibly Regulation 1906/90 on marketing standards for poultry, which defines the use of the term "farm product" in the case of poultrymeat). The Committee calls upon the Community institutions to adopt, in addition to the above provisions, a set of framework provisions which provide the necessary scope for the introduction of regional quality and origin labels, meeting the needs of industry and of consumers. The Committee of the Regions notes that these provisions precisely slot into the EU Structural Funds' Objective 5a. The Committee of the Regions also insists that protection must be given to products which do not fall within one of the general groups but which meet certain requirements regarding origin or craft-based production. In this context the Committee calls for discussions on the protection and value of concepts such as "farm", "craft-based" and "mountain" or of products carrying the label "country product" or "product of a regional nature park".

3.4 The Committee of the Regions considers it necessary to improve market openings for local products by consolidating production and supply structures. Support in particular should be given to implementing Directive 42/93 on small enterprise and marketing structures. In this connection the creation of regional quality networks to support local products is particularly noteworthy.

3.5 The Committee of the Regions urges the European institutions to consider drawing up a specific Charter whose content would be applicable to all Member States. The Charter would enshrine the recognition of certain practices together with a medium- and long-term commitment by local partners, enabling consumers and users to identify a comprehensive local offer committed to a quality approach and linking physical products or services - particularly in the field of tourism- with environmental, animal-related, landscape and heritage services.

3.6 The Committee of the Regions would ask the Commission to set up a network of European production areas governed by a Local Product Quality Charter (cf. Point 3.5.) in order to

encourage examples and promote initiatives, but also to keep the public informed of regular assessments thereof. The network of regional production areas might include all sorts of measures to protect and preserve the value of local products, i.e. not only the exchange of experiences but also training and the passing on of know-how so that local products can be adapted to market requirements. The European Parliament's initiative in creating a European trophy for local products might also be continued. This initiative has already brought together 60 European regions and encouraged the creation of associations for the promotion of high-quality products. Further events might be organized around a European fair of local products.

3.7 The COR proposes that the Union institutions and the Member States make it possible for local organizers to be recognized Community-wide. The partnership element is crucial to the success of local initiatives. This dimension requires major investment in human resources, which must be brought together in formulating a coherent project. The role of local organizers is to coordinate the efforts of various operators in a partnership approach to local products.

3.8 The Committee of the Regions takes the view that the certification and recognition of the quality of agricultural self-help organizations (e.g. audit groups, trusteeships and producer associations) is a suitable instrument for providing the food industry and trade with a voice of uniform quality and nature. This will avoid the unacceptably high costs involved in recognizing and certifying small and medium-sized enterprises themselves.

3.9 The Committee of the Regions calls upon the Commission to support, within the framework of a pilot project, research into a licensing procedure for designating high-quality local agro-food industry products. The rising number of obligatory measures and the controls associated therewith (i.e. a ban on anabolics and the use of pesticides) place additional burdens on the individual enterprises concerned. Here a uniform procedure might be worked out for a whole host of local products.

3.10 The Committee of the Regions notes the statement by Commissioner Franz Fischler on the use of ECU 10 million to create a European quality label (*Europe* No. 6593, 27 October 1995), while emphasizing that the regional dimension of quality should be to the fore in creating a label of this type, in the interests of compatibility with the general objectives of the CAP and the EU Structural Funds. The Committee of the Regions is convinced however that a uniform European quality label, which would exclude regional quality and guarantee systems, would be out of kilter with the concept of regional diversity and the principle of subsidiarity. The regions should by and large be left to regulate their own systems for the certification of quality products based on specific minimum standards, whilst taking into consideration consumer expectations, health protection, the need to preserve regional identity, and regional arrangements for indication of origin. The Community's task would be to adopt general framework regulations banning discrimination against, and hence the disparagement of, other products and making it an offence to mislead the consumer.

3.11 The Committee of the Regions calls upon the Commission to see to it that the regions remain responsible for testing the quality of agricultural products on the basis of a regional quality

and origin label. The commercial promotion of local products is effectively based on the identification of their specific character and on the guarantee that the image projected by the identifying element complies with certain production practices.

3.12 The Committee of the Regions calls upon the European Commission to draw up a framework Directive on comparable minimum standards regarding the quality and monitoring of the certification of high-quality local products. Generally, however, the EU should not take on the task of qualitatively evaluating such products. The focus instead should be on the specific characteristics of local products and the consumer expectations connected therewith. As part of the PACTE programme the European Commission could for example promote an exchange of views between the regions on existing quality guarantee systems, before European framework conditions incompatible with regional particularities are laid down ("bottom-up" rather than "top-down" approach). The European certification of local products encourages first and foremost the sale of agricultural products developed and produced on the basis of EU programmes. Regional quality and origin labelling thus logically complements the Community's farm policy. The Committee of the Regions therefore calls upon regional labels to be fully recognized by the European institutions.

3.13 The above-mentioned European legal framework must ensure that administration is more effective and practical than at present and does not involve disproportionately high expenditure. Regional and local authorities, insofar as they are entrusted with the task of implementation, must not set up additional administrative offices. The system must be based on the proven principles of voluntariness and internal responsibility. State aid should be concentrated on raising the skills of producers and publicizing quality labels.

3.14 The introduction of quality labels for food products therefore remains basically a matter for producers. The further development of legislation must not adversely affect tried and trusted product labelling introduced on to the market by the industry concerned at considerable financial expense and in accordance with national and regional provisions.

3.15 Legal instruments and other measures to protect and promote local products of the agro-food industry must not give rise to an increase in market regulation or even trade barriers.

3.16 For these reasons the Committee of the Regions calls upon the European Commission to adopt as its main strategy the mutual recognition of national rules in accord with the principle of regional diversity.

Done at Brussels, 18 September 1996.

The Chairman  
of the

The Secretary-General  
of the

Committee of the Regions

Committee of the Regions

**Pasqual Maragall i Mira**

**Dietrich Pause**

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